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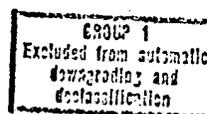
MEMORANDUM FOR : Deputy Director for Science and Technology

ATTENTION : DD/S&T Career Service Board

SUBJECT : Agency Civil Service Retirement Policy

1. The Career Service Panel/ORD has recently held a series of discussions concerning the potential impact of the Agency's retirement policy, as implemented under [redacted] on future personnel recruitment and on the Agency's ability to continually improve its career development programs. The ORD/CSP agrees with, and indeed applauds the goals of the Agency's Civil Service retirement policy, particularly with respect to its expected influence on career development. At the same time, the Panel expresses serious concern over certain disadvantages the policy offers Agency employees as compared to other Federal Civil Service personnel. The Panel fears that in the years ahead the advantages sought through a more rapid turnover of personnel in senior positions may, in fact, be blunted by offering a "second-class citizens" retirement policy as one of its inducements to prospective new recruits. No one need talk to our recruiters very long these days to realize the serious impact this could have on the Agency's continued success in the future manpower market. By the term "second-class" the Panel is indicating the clear disadvantage inherent in retirement at age 60 versus retirement at 65 or 70 years of age in the absence of any compensatory provisions.

2. Since the CIA has traditionally been at the forefront among government agencies in the establishment of improved and forward-looking management policies, the ORD/CSP suggests that the DD/S&T Career Service Board also give thought to this problem in the expectation that any recommendations offered by that body would be responded to in the usual positive and effective way traditional of the Agency. Meanwhile the ORD/CSP submits for your consideration the following suggested remedy:

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That the provisions of be amended in such a way that they establish not a penalty but an inducement for early retirement.

As one possible means of accomplishing this, it is suggested that both earned and contributed retirement input be adjusted to provide for an additional 5% of high three salary to become part of retirement income if retirement occurs at age 60; that 4% of high three salary be added to retirement income if retirement occurs at age 61; and that 3% of high three salary be added to retirement income if retirement occurs at age 62.

3. It is understood that the above suggestion does not take into account length of employment or the many other nuances which must be considered in developing a finite plan. It is suggested as a starting point only. It is also understood that any cases of perceived or actual inequities existing at present, as a result of the Agency's retirement policy, could and should be handled on an individual basis. The ORD/CSP suggestion looks to the future and, therefore, contains no element of immediacy or urgency. It is felt that after appropriate study, perhaps with the cooperation of Office of Personnel and Office of Finance, a plan could be devised and, when an opportune time arrived, steps could be taken for its implementation.

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, Director of Research and Development

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